

## The Papal Allocution

*At the Consistory of March 13, 1933, His Holiness, Pope Pius XI, addressed the assembled Cardinals. The official English text follows.*

ONCE more, Venerable Brethren, we meet in Consistory, after a lapse of time that various causes have rendered unusually protracted. And, as is natural, the acts and celebration of events of various kinds, some joyful, some sad, which have occurred since the Consistory of June 30, 1930, are more numerous than usual. We can only record them summarily, in briefest outline.

If we give first place to our Encyclicals and Constitutions "Casti Connubii," "Quadragesimo Anno" and "Deus Scientiarum Dominus," it is in order to attribute due honor to the paramount importance of the matters treated in them and to express again the zeal and concern with which we are consumed for the sacred nature of the family, for the equitable treatment of workingmen, and for an ever wider and more vigorous development of ecclesiastical studies.

Among the acts of this Holy See, the most important by their very nature are the agreements intended to regulate the conditions of religion and of the Church in various States, the most recent being the one we have concluded with Baden—the third in a short time in Germany.

### EUCCHARISTIC CONGRESS, LOURDES

Among the varied and numerous celebrations in which we have taken part, either by our letters or in the persons of our Cardinal Legates, honor and love for Our Lord and Divine King in the Eucharist, honor and filial affection for the Mother of God and our Mother oblige us to recall those of the Eucharistic Congress in Dublin and the seventy-fifth anniversary of the apparitions at Lourdes. It was from Lourdes, from the Grotto of Miracles, that we set out eleven years ago with Mary's blessing for the See of our beloved Milan, momentarily entrusted to us. As for Dublin, it was granted us to send there not merely our letters and our Car-

dinal Legate, but also our living voice for the Eucharistic Congress which the faith, piety, and genial initiative of our beloved sons of Ireland—Bishops, clergy and people—and their generosity, too, despite the worldwide depression, made into a Congress truly worthy of the Island of Saints and forever singularly memorable in the records, all of them so glorious, of the International Eucharistic Congresses.

These great movements in the history of the Church of God, and these extraordinary, solemn manifestations of her life find their happy and consoling counterpart in the daily uninterrupted development of her being and her activity; in the application, ever more wide and more abundant, of the fruits of the Redemption among mankind. We refer to the development and increase of ecclesiastical territories, whether in places of diocesan organization and of a normally established Hierarchy, or in missionary countries under missionary administration—the fruitful, consoling work of three Congregations, the Consistorial, the Oriental and the Propaganda, all bent upon garnering the harvest and incorporating it organically into the Mystical Body of Christ, a harvest of conversions among the heathen in recent days particularly select and abundant and all the more numerous where the number of the native clergy is greater.

#### RETURNS TO ROMAN UNITY

No less consoling are the returns, as if from homesickness, to the Roman unity, from among non-Catholics and dissidents of the various Oriental rites, thanks here especially, after God, to the zeal of the Oriental Bishops and clergy and to the harmonious coöperation of the Latin missionaries and Sisters engaged in Apostolic work in the East; thanks, above all, to the good-will, the Christian courage—and often enough to the heroism—of so many dear sons who have come back to their Father's house. Valuable, really inestimable, contributions to all this spread of the Divine Redemption and the supernatural life in the world have been made, and are being made, with a perseverance and ardor above all praise, by the Pontifical missionary organizations and by Catholic Action, never so prompt and active. As ever, it is a question of collaborating with the Bishops and clergy in the works of the apostolate, and this same activity

and collaboration have yielded and are yielding, even in Catholic countries, precious and substantial fruits for the Christian life.

We wish to mention religious instruction, the chief and most essential requisite, more and more widely diffused and intensified, better organized and equipped with modern means for teaching and reaching the public, though unfortunately we cannot say that this is found everywhere.

We mention also Eucharistic piety and life, cultivated with ever-growing frequency and enlightened fervor in the souls of individuals, in communities, and among the faithful in general. We draw attention also to the more and more frequent practice of the Spiritual Exercises by the clergy and also the laity, especially students and working people.

#### CHARITY CRUSADES LAUDED

We make mention of the multiplication and the development in efficacy of private and collective enterprises of charity—the most beautiful and complete expression of Christian life, and an inspiration particularly providential in these straitened circumstances, still unrelieved, of world crisis. We cannot forbear to point out with particular satisfaction the observances of the centenary of the St. Vincent de Paul Society, whose foundation no eloquence can more fitly extol than the statistical showing of its magnificent and really worldwide diffusion, its continuous providential growth, and its wonderful efficacy in corporal and spiritual works of mercy. Nor can we fail to mention, in the discharge of our debt of paternal gratitude, the numerous crusades of charity which, in response to our earnest and fatherly call, have been organized, under our patronage and in many places under that of the respective bishops, to relieve with greater dispatch urgent local necessities.

#### TRIBUTE TO CATHOLIC ACTION

We have referred to Catholic Action. To this simple passing mention we may and must add an expression of the great and profound consolation we feel when we see how it is being organized and developed in a wonderful way through all the countries of the world, thanks to the pastoral care of

the bishops and to the devoted and generous coöperation of the clergy and laity. Innumerable are the testimonies that continuously come to us from all directions, missionary lands included, of the great aid Catholic Action lends to all the works of the apostolate and to the maintenance and furtherance of Christian life, even to the point of emulating the better gift of perfection and sanctity, of devotedly and laboriously participating in the life of prayer and strife of the Church in her diversified work according to countries and circumstances, but everywhere and always ardent, industrious for the conquest and reconquest of souls, especially such as are deceived by the present-day, materialistic, pagan concepts of life or are carried away by anti-social and anti-religious currents that are a calamity and an abiding threat of even greater moral and material destruction. God Himself, in most unequivocal ways, has deigned to smile not only in sovereign approval, but with supreme gratification, on this work, the very apple of our eye, scattering with lavish hand in various fields of Catholic Action the seeds of choicest vocation. Hence it follows that if in places and at times Catholic Action is not immune from trials, we may and must apply to it, with all fitness and with unspeakable consolation, the words of Holy Scripture has gathered up and set forth in the comfort of every soul dear to God and tried in the crucible of tribulation: "Because thou wast acceptable to God it was necessary temptation should prove thee."

Considering more particularly that part of the mystic fold which is closest to us, we must say at once that this very proximity demanded of us more lively and active pastoral zeal, particularly because of special urgent needs of long standing, rendered even more serious and pressing by earthquakes in Voltore, Ancona, and Senigallia.

#### NEW SEMINARIES, PARISHES

We must, at the same time, invite you to give thanks with us to Divine Providence that, notwithstanding the great difficulties of the times, it has been granted to us to see the beginning, the continuation and, in not a few cases, the completion of works which of their very nature and, as it were, by happy necessity are bound to produce spiritual benefits

much needed and most important in the not far distant future. We speak of several large regional seminaries that have lately been added to those erected in preceding years; we speak of several churches and hundreds of presbyteries which have been added during this period to hundreds already built on islands and on continents; we speak of many parishes already erected, or in course of erection, new churches and chapels already built, or in active construction in the teeming suburbs of our episcopal city; we speak of the apostolic visitation which is here being held with abundant fruit of spiritual profit so long desired—of which is the outcome of the zeal of our beloved Cardinal Vicar and the faithful collaboration of his fellow-workers; to him and to them we present the grateful expression of our satisfaction.

We should consider we were failing in our debt of gratitude to God and man did we not expressly mention the University of the Sacred Heart and two recent events connected with it. The first is the solemn and historical transfer of the University to the magnificent seat that special Providence seems to have prepared for it—there where still lives and operates the grand memory and lofty inspiration of that kindly Saint and Doctor of the Church, St. Ambrose. It was a transfer that took place with such a combination of Divine intervention and human coöperation as to seem miraculous. And well-nigh miraculous seems to be another fact, namely the outcome of the University Day recently held. Certainly much must be attributed to wise organization and to the bishops and clergy and their immediate helpers. But it is due to the devoted, enlightened, often heroic generosity of the Faithful of all the dioceses and all the parishes of Italy, even the smallest and poorest, that the magnificent results of preceding years have been equalled, a fact that in the continued distress of the world crisis seemed incredible because it seemed impossible. This is an event on which, after rendering thanks to God and to all men of good will, we feel obliged to congratulate the country, under present conditions. Also, all things considered it is a fine economic symptom. But more than that, it is a sure sign of a healthy state of mind lofty enough to manifest on so large a scale an appreciation of so noble an enterprise as university studies, an appreciation calling for real and personal sacrifices in extremely hard times.

## DECRIES EXAGGERATED NATIONALISM

If all this is joyous and augurs well for the new year, there is, alas, no lack but rather abundance of sad and ominous tokens. But what can we say that all do not know already and have not, as it were, before their very eyes?

The critical international situation continues as heretofore, a situation rendered uncertain, uneasy, and disquieting by reciprocal mistrust, by conflicting interests, by inadequate and frequently contradictory measures proposed and attempted by exaggerated and unjust nationalism, than which nothing is more contrary to that brotherhood of men and peoples which can find its vital roots healthy and can find satisfying nourishment only in the dictates, inspirations, and practice of Christian charity. In the name of this charity, and solely under its impulse, We have not ceased to preach peace between nations. And we obtained some slight benefit, or rather a brief respite from strife, at Christmas and in the name of the new-born Redeemer of the world. But alas, in the Old World as in the New, again one hears the clash of fraternal arms, and from the stained and devastated soil there rises to heaven the voice of brothers' blood.

The economic crisis still continues throughout the world, and it is the weakest who suffer most: innocent children, first and delicate blossoms of life; the infirm, already afflicted and now in greater need; aged folk, already worn out and often broken by their long journey. There is the material and moral suffering of thousands and millions of workmen and artisans, who are deprived not merely of wages earned in justice and with dignity, but also and especially of work, and are reduced to unemployment with all its perils and temptations, to say nothing of the cost of the difficulties and anxieties that fall upon society in general and upon those in whose hands rest responsibility for public order and security.

## THOSE WHO PROFIT BY UNREST

There is, however, one class of men who derive advantage, sad advantage, from general hardship and misery, the enemies of all political, social, and religious order. War

on human society, on religion, on God Himself—that is their well-known program. No less well-known are their subversive, murderous principles. Occurrences of recent, very recent, date show how capable, how determined they are to translate these principles into acts. What has been happening this long time and is still happening throughout the huge expanse of unhappy Russia, in Mexico, in Spain, and lately in small countries and large in Central Europe, shows only too clearly what may and must be feared wherever their nefarious propaganda and influence penetrates.

And where do they not penetrate? And yet, until quite recently, our voice had remained single and solitary, pointing out the serious danger that threatens Christian civilization in each and every country in the world which enjoys its inestimable benefits that cannot be replaced. Our voice was alone in indicating and urging a radical cure and remedy, namely, the sound and solid principles of charity and justice and the fundamental, indestructible truths and teachings on the value of souls and the dignity of the human individual, on man's origin and destiny and his essential relations with God, his Creator, Redeemer, Lord, and Judge, and with his fellowmen and the rest of creation.

#### ATTACK CENTERS ON CATHOLIC CHURCH

These are the principles and teachings that in the Catholic religion and in the Catholic Church find their full, perfect expression, their unfailing safeguard and infallible interpretation. It is for this reason that the enemies of order and civil society, though proclaiming themselves enemies of every religion and of God, without God and against God, most especially and without ceasing direct their attacks against the Catholic religion and the Catholic Church. Insulting and profaning all that it holds most sacred, they fabricate falsehoods and calumnies, they make travesty of its history and its doctrines. They abuse the noblest means of social and international relations and communications. They let loose and promote persecution, in the proper sense of the word, as is happening now in the countries just mentioned, at one time replacing good law and justice with force and violence; at another, to further their design, framing new laws contrary to justice.

We cease not, and we shall not cease, to raise our voice for truth, justice and humanity, for the very salvation and well-being of countries and peoples, but still more for the proclamation and defense of the rights of God and the rights of consciences and souls entrusted to the universal fatherhood God has committed to us. It is precisely from this universal fatherhood that we draw inspiration and invite all countries, all nations, with so many deplorable instances before them, to consider what serious moral, intellectual, and even material disaster is inevitably being prepared wherever the Church is openly or covertly combated, hampered, and opposed in her mission of sanctification and formation, especially among young people.

The increasingly blasphemous and aggressive conduct of the propaganda of declare enemies of God suggests to us certain established facts and reflections which we trust may be useful to all, including themselves.

#### CALLS ALL TO COMBAT FOES OF RELIGION

Those who would overthrow all order turn their most violent, unwearying, relentless assaults against God and against all religion, principally against the Catholic religion and the Catholic Church. Does not this mean, and do not the facts show, that they, too, see in God and in the Catholic religion the surest support and strongest bulwark of all that they combat and would destroy? In every age there have been enemies of God, and men to deny Him. Divine Writ repeatedly calls them fools, even when they hide their enmity, their denial, in secret in their hearts. But when the Spirit of God sees the impious arise in a host of many peoples, He sees at the same time their efforts frustrated, God mocking and smiting them, arming all creation to wreak Divine vengeance and the whole earth doing battle with Him against the insensate.

Is not this a call for all to reflect and consider whether and to what extent the present war on God, more impious and provocative than ever before, is responsible for the world-wide catastrophes of war and economic crisis from which all are still suffering so terribly on every hand? As for the Church, she has certainly suffered much and will still have much to suffer, a glorious primacy of suffering and



persecution on the part of the enemies of God, of truth, of goodness, and not less glorious than enduring the warfare against the powers of hell and darkness which has been foretold and left her as a legacy by her Divine Founder. But He likewise promised to her, and to her alone, His permanent assistance and the failure of the forces arrayed against her. Nineteen centuries prove and guarantee the faithful fulfilment of these Divine promises. Enemies and persecutors the Church of Christ has had in every age. All have fallen and vanished. She alone stands, more than ever trustful of her future, even though trials and sorrows assume at times proportions and forms so particularly distressing.

(Here, in five paragraphs, the Pontiff

1. condemns Protestant proselytism in Italy and Rome
2. refers to the non-Catholic baptism of the infant Bulgarian princess contrary to formal and explicit promises made by "august persons." He frees the mother from blame.)

Since this great Jubilee and Holy Year of the Redemption of mankind, recently promulgated by us, is meant to be and with God's grace will be, a year of greater expiation and remission of sins, of seeking and practicing justice in every department of Christian life, for this reason we cherish full and certain confidence that it will be especially, above all, a year of spiritual exaltation for the whole Christian world and for all mankind; and secondly, a relief, which God grant may be an entire cessation, from the hardships and miseries with which the world is still sorely afflicted.

The first result, a spiritual raising up of hearts and minds, will be brought about by grateful remembrance and meditation on the Redemption of man, consummated in the death and blood of a God who came down among men and was the teacher and model of every virtue. The second, the beneficent relief, will be obtained from Divine Mercy by the universal concert of prayers and good works, were it only by drawing down the necessary light and still more necessary concord upon conferences and conversations that will take place precisely during this Holy Year for world economic readjustment, for disarmament—may it be effective materially and morally—and for war debts. For all these intentions we propose to pray every day and we invite everyone to do so with us.

But before all else, we wish to pray, and we ask the prayers of all, for what most especially corresponds to the purpose of the Redemption and the desires of the Divine Redeemer, our sanctification and yours, Venerable Brethren, the sanctification of the Episcopate, of all of the clergy, of all Christian people. Our trust in a gracious hearing and the granting of our prayers is sustained and strengthened by the pious and devout celebration of numerous and solemn centenaries that, in the past year and in this, by sweet disposal of Providence, come together to crown the greatest centenary of all, the Jubilee of the Redemption.

#### DEPENDENCE ON SAINTS

Still more is our confidence sustained and strengthened by the illustrious company of those venerable Servants of God who, by the kind condescension of Divine Goodness, we are able, in this Holy Year, to raise to honors and even to the greatest honors of the altar. It is the Saints who are the most perfect and choicest fruits of the Redemption; it is they who will be gracious and powerful intercessors and patrons of our prayers.

(In the seven closing paragraphs the Pontiff

1. appointed legates to open the holy doors of the three patriarchal basilicas in the Jubilee ceremony of April 1
2. declared Archbishop Arpiarian the Patriarch of the Armenians
3. declared Archbishop Arida Patriarch of the Marionites
4. created eight new Cardinals, two names being reserved *in petto*.)

## Legislative Proposals and Social Justice

MICHAEL O'SHAUGHNESSY

*Mr. O'Shaughnessy, the editor of O'Shaughnessy's Oil Bulletin, read the following paper at the Catholic Conference on Industrial Problems held in New York City, February 7.*

WE reached, in the third year of the depression, the exhaustion point of deflation, which probably represents the national subsistence level on a minimum low average standard of living. This level has remained fairly constant for six months.

Government doles to those of the population that have lost their purchasing power and rent and debt moratoria can maintain this level for a time, but unless the purchasing power of the classes that consume the major portion of the country's production and services is restored by a more equitable distribution of the national income, a further breakdown of our social, financial, and industrial structure is inevitable.

We have overcome panic hysteria and liquidated the fallacy that our troubles are psychological—that we had but to have faith and hope and the depression would end itself.

The year 1933 is likely to be one of the most fateful in the history of the Republic. Fundamental solutions of problems, put off for the last three years by the adoption of numerous ineffective expedients, will have to be faced. Unfortunately, the public mind and that of our leaders is in a state of great confusion. These grave problems, faced in this atmosphere of bewilderment, by the President and Congress, cannot be justly or effectively solved without the whole-hearted cooperation of leaders in finance, industry, and agriculture, backed by public opinion. The people must be prepared for fundamental changes and sacrifices by all. The social and moral aspects of these problems must be recognized.

Individual, group, and sectional selfishness that has wrecked all effort to solve our problems must be overcome to avert disaster. A veritable feud exists between Congress and "big business." The South and West, lined up against the East, strive for advantage, each over the other; industry is arrayed against agriculture; industries and groups of industries, against one another; units in the various industries against each other; employer against employee; rich against poor; every man is against every other man where money is concerned. All are animated by greed, by the inordinate desire for profits at the expense of others. A spirit of accommodation, of sacrifice for the good of all, a policy of "live and let live" must be developed. All must be brought to realize that unfairness to one's neighbor brings only misery on oneself. This Herculean task must be undertaken in the Seventy-third Congress, in which there will be over 127 new members, many without experience in national affairs, all elected on a wave of Liberalism with a mandate for a new deal.

Confused discussion of the causes of the social, financial, and industrial dislocation that has overwhelmed the world and failure to realize its fundamental implications retards action toward a solution of the grave problems involved. These problems should be boiled down to their simplest terms, to the major factors that include all the others in a vicious circle, and consideration riveted on these elemental disorders, a cure for which would not only stop the process of disintegration, but revitalize our social order by discarding the bad and preserving the good in the capitalistic system.

All major industries, on account of their indispensable service to all the people of the country and because the profitable existence of each depends on similar conditions obtaining in all other industries and agriculture, must contribute their share to this program of reconstruction.

These underlying factors can be reduced to three: (1) unemployment and non-living employment, which has reduced the purchasing power, probably by half, of seventy per cent of the population who are engaged in industry and agriculture; (2) partly causing and partly the result of this condition, commodities are selling below the cost of production and consequently all industry and agriculture is being

conducted at a loss. This is aggravated by destructive competition among units in the various industries and between industries for the curtailed volume of business available. (3) A third factor vitally effecting both is debt, individual, corporate, governmental, and international, in such an amount that all human activity directed to the products of the soil cannot produce a sufficient amount of new wealth to amortize and pay the interest on these debts, which are consequently unpayable and uncollectable. A direct result of excessive debt is taxes so high that they form an insurmountable obstacle to recovery.

Now as to solutions. The principal of unpayable debts will have to be scaled down and interest charges reduced. This can only be accomplished honestly by equitable agreement between creditor and debtor, or dishonestly by debasing the currency. Taxes can only be reduced by reducing the cost of government, by restricting government to its proper functions. Payments on account of war, the largest item, must be reduced by reducing payments to those who fought the war (veterans) and to those who furnished the money to finance the war (U. S. bondholders). The Federal Government must be taken out of the business of lending taxpayers' money to business through the R. F. C., Home Loan Bank, Farm Board, etc. Doles to the destitute will have to continue until the Government can protect the citizen in his most elemental right, to work to keep himself alive.

Unemployment and non-living employment can only be corrected by a wider distribution of the national income among workers in industry and those living by agriculture, who constitute seventy per cent of the purchasing power of the country. This in turn can only be done by providing employment by the year at a living family wage for workers and a living income to farmers.

The necessity for a more equitable distribution of the national income is recognized by Mr. Meredith B. Givens, of President Hoover's Research Committee on Social Trends, in a recent comment on Technocracy as follows:

"Eighty-five or ninety per cent are unemployed because of idle machines rather than the busy machines that have taken away jobs from the workers. The serious thing is that the increase of the output due to a single man's efforts comes at a time when our popula-

tion and markets are not expanding fast enough to take the product, while *income is not distributed well enough to make it possible for people to increase their standard of living as fast as the machine can produce.*"

Proposals to debase the currency—as a substitute for a more equitable distribution of the national income to get money into the hands of the masses with which to buy the products of industry and agriculture—is a delusion. There is more money in circulation today than at any time in the boom year of 1929. The total volume of Federal Reserve Bank credit outstanding is higher today than at any time in 1929, and the volume of member-bank reserve balances, which form the basis of member-bank lending power, is today just slightly less than the highest figure reported in 1929. There is no lack of money; the trouble is that it is congested in so few hands that it cannot be put to work. If more were printed, it would go into the same hands. What is needed is a steady and adequate income for the masses of the citizenry to enable them to buy the products of industry and agriculture, to keep both producing on a profitable basis.

With purchasing power restored by a more equitable distribution of the national income, industry could be stabilized on a profitable basis, provided, however, that destructive competition be eliminated.

These ends could be attained by the Congress legalizing monopolies through trade associations in the major industries, in which the interests of consumers, labor, and stockholders would be safeguarded, through Government supervision, such trade associations having the power to fix prices on the basis of a profit above cost, which must include fair wages for the actual capital invested in industry and employment by the year at a living wage for labor engaged in the production of such commodities. Similar protection must be accorded agriculture, but as necessary as it may be, the proposed annual subsidy of \$750,000,000 (Domestic Allotment Plan) to farmers without raising and stabilizing the purchasing power of other classes of citizens, will not improve the situation. Such measures must be taken concurrently for all the major industries and agriculture.

An admission that this cannot be done is tantamount to saying that a solution of our difficulties is impossible, the

destruction of our social order imminent, and the capitalistic system doomed. This, no red-blooded American will concede.

The future of our country for a considerable period is likely to be determined in the year 1933. Security and happiness can be attained by statesmen and politicians, financial leaders, and leaders in the major industries and agriculture, working together in the closest harmony, and in a spirit of mutual sacrifice for the good of all the people.

The people of the United States are called upon to prove that our Democracy can continue to live under the capitalistic system.

In the little brochure "Man or Money?", I have outlined a program to reform the capitalistic social order, to forestall its disintegration now rapidly under way and its eventual destruction. This plan, which is an application of our Holy Father Pope Pius XI's "occupational group idea" to industry in the United States, can be summarized as follows:

#### **A LEGISLATIVE PROPOSAL TO STABILIZE INDUSTRY AND FINANCE, TO REALIZE SOCIAL JUSTICE AND TO ABOLISH ECONOMIC SLAVERY IN THE UNITED STATES, BASED ON THE PRINCIPLES THAT:**

(a) The citizen has the right to work and is entitled to the protection of the laws in maintaining such right and in demanding a equal share of the employment available in the trade in which he is employed;

(b) That every citizen has the right to own property and earn a living wage that will enable him to decently support his family;

(c) That money (capital) is entitled to a fair and reasonably assured wage;

(d) That prices for commodities produced by any industry should be such as to provide for fair and stabilized wages for the actual money employed in the industry and fair and stabilized wages for the human beings employed in it and to provide means of subsistence for human beings deprived of the opportunity to work through the introduction into industry of machinery and improved technical methods, until the opportunity to earn a living for such human beings be provided in new industries or through other means.

## TO TRANSLATE THESE PRINCIPLES INTO LAW:

(a) All units in the major industries doing an interstate business and employing over fifty men and/or women, be empowered to form a trade association of all corporations or individuals that compose the industry, to accomplish the following ends:

- (1) to insure equal partition of available work among workers in the industry entitled thereto;
- (2) to maintain production on a profitable basis;
- (3) to fix maximum and minimum prices for raw materials and manufactured products.

(b) All members of such associations to employ by the year, the average number of employees engaged in the industry over the period of the preceding ten years, at wages sufficient to enable workers to realize rights enumerated above; to set aside reserve funds to provide for fair and stabilized wages for workers and for money, based on the operations of the industry in the preceding ten years.

(c) All members of the trade association should be required to standardize their accounting forms, cost systems, earning statements, etc., which information should be continuously available to public inspection.

*Management*—The directors of the Trade Association to be nine in number, three representing the capital invested in the industry, to be chosen by the managements of its constituent members; three representing labor employed in the industry, to be chosen by labor unions existing or to be formed of employees in such industry; and three, representing the public or consumers, to be chosen by associations of consumers of the products of the industry concerned.

*Federal Government Veto*—There should be invested in a Federal agency, the right to veto any acts of the association, particularly in reference to the fixing of prices of raw materials and manufactured products, that might be against the public interest. Such veto to be subject to review by the Federal Courts.

*Voluntary Coöperation*—All units, in a given industry would be free to join the trade associations or not, as they saw fit, but those choosing to remain out of the association, would be compelled under heavy penalty, to abide by the maximum and minimum prices and wage scales, fixed by the trade associations.

*World Industrial Coöperation*—The trade associations in each industry should be empowered to make agreements with associations in other industries for the purpose of stabi-



lizing industrial activity throughout the nation and should further be empowered to deal with cartels or trade associations in other countries, looking towards the stabilization of industrial conditions throughout the world, raising the living standards in backward countries and consequently their purchasing power.

*Agriculture*—The depressed condition of agriculture in the United States is the most important single factor in the dislocation of our economic structure. The drastic curtailment of the purchasing power of the farm population of the country, numbering about thirty million souls, is largely responsible for the present distressed condition of industry. Since 1915, the prices at which the farmer sells his products have fallen about fifty per cent and the prices at which he buys his requirements have advanced about ten per cent. His taxes have nearly trebled, and his debts have considerably more than doubled. Agricultural products are selling at all-time low prices. Wheat, for instance, is selling on the farm at a price that is half the cost of transporting it to market and is, in many instances, being burned as fuel. Hundreds of thousands of farmers have lost their farms, and the vast majority is hopelessly burdened with debt, and their livelihood is threatened by the foreclosure of mortgages on their property.

The Voluntary Domestic Allotment Plan (in which for the first time bankers and industrialists coöperated with farm leaders and agricultural economists to correct the disparity between the prices which the farmer gets for his products and the prices he pays for his requirements) which was in general terms endorsed by Candidate Roosevelt in his Topeka speech, has been mutilated through sectional and group greed and selfishness in the so-called Jones Bill, now pending in the Congress. If legislation is passed to carry out the plan in its original form, it would bring agricultural reform into harmony with the industrial reform suggested in this program.

*Transportation*—Serious thought is being given to the reorganization of the railroad transportation industry by various groups which would recognize realities and put the industry in position to efficiently serve the public under the changed conditions of our national life. Any legislation to accomplish this might easily bring the railroad industry in

conformity with the industrial reform suggested in this program.

*Banking*—Legislation is pending in the Congress to reform our banking laws in a manner to curb the profit urge of bankers and protect depositors and investors. It is unfortunately being opposed by certain important elements in the banking field, who seek to perpetuate their control of money and credit, which is the very life-blood of industry, and through political maneuvering by inflationists.

*Public Utilities*—Leaders in this industry, representing eighty-five per cent of the companies engaged in it, have formed the Edison Electric Institute, a new trade association in the light and power industry, to aid its operating company members to "generate and sell electric energy at the lowest possible price, commensurate with safe and adequate service, giving due regard to the interests of the consumer, investor, and employee." This is a decidedly hopeful movement to bring this industry into conformity with the industrial reform suggested in this program.

*Two Hundred Corporations Hold the Key*—Less than fifty industries need be considered in this program. The assent of 200 corporations, with less than 2,000 directors, that are estimated to control thirty-five to forty-five per cent of the business wealth of the United States (excluding from business wealth that of Government, agriculture, and professions), could make this reform effective. Should any doubt this statement, I suggest that they read "The Modern Corporation and Private Property," by Professors Berle and Means of Columbia University.

*Effects at Home and Abroad*—Should the United States attain permanent security, prosperity and social justice along the above lines, its example would likely bring the same blessing to all the peoples of the earth. The adoption of this program would:

- (1) Stabilize industry in the United States and possibly throughout the world;
- (2) Permanently stabilize prices for securities on their intrinsic values and permanently stabilize dividends on the capital stock of all industries based on the actual amount of money invested in them;
- (3) Stabilize employment, guaranteeing human beings an opportunity to earn a decent living and to own property.

*Progress*—Such trade associations as I have recommended above are envisaged by Mr. H. I. Harriman, President of the Chamber of Commerce of the United States, in a recent speech before the Life Insurance Presidents' Association, as follows:

I also look forward to a great increase in the power and authority of Trade Associations, and, through trade conference agreements, to the establishment of fair conditions under which competitive business shall be carried on. Trade associations should adopt their own rules and regulations for just trade conditions subject to some governmental board acting as an umpire to see that the regulations are fair, not only to the members of the trade but to the public. By regulations I do not mean merely rules which will obviate fraud and the selling of goods in one market at a loss and in another at a profit. I conceive that trade associations will consider problems such as a fair minimum wage, fair hours of labor, the prohibition of the selling of goods below cost, the establishment of healthful living conditions for labor and the creation of reserves for accident, sickness, old age and unemployment. Will competition be less effective and business less profitable if rules are established, binding upon all in a given trade or industry, which insure a fair deal for the laborer, for the investor, and for the members of the industry, be they large or small? Thus will self-regulation largely take the place of public regulation and governmental interference with business be minimized.

*Competition Between Industries*—The agreement reached between the representatives of the railroads and trucking industry in the Joint Committee of Railroads and Highway Users proves that destructive competition between industries can be eliminated by negotiation. This is an approach to the reform I have been urging for over a year.

In all the confusion which besets the country, there has been a very definite and hopeful movement started. The Catholic League for Social Justice was inaugurated in November by Catholic laymen in the Archdiocese of New York with Cardinal Hayes' blessing. The movement is spreading throughout the United States and Canada, having received Episcopal sanction in the Archdioceses of Baltimore, St. Louis, and San Francisco and in the dioceses of Buffalo, El Paso, La Crosse, Brooklyn, Wilmington, Raleigh, Nashville, Sacramento, Oklahoma City, Sioux City, and Spokane, and in Canada, in the Archdioceses of Montreal and Toronto. Steps toward organizing the crusade are under way in the following dioceses: Philadelphia, Chicago, St. Paul, Cincin-

nati, Detroit, Milwaukee, Newark, Hartford, Winona, Columbus, and Green Bay. Preliminary steps toward organization have been undertaken in some twenty-odd other dioceses.

To solve the problems which beset us in the worldwide social, financial, and industrial dislocation, a change in the state of mind of society is necessary. The heart of man must be reached. To accomplish this, Divine assistance is indispensable. To ask for this help, this League for Social Justice has been inaugurated. No formal organization, no officers, no initiation fees or dues. Just individual action and prayer for Social Justice to save our country and civilization from destruction by uncontrolled greed and selfishness.

Crusaders are asked to sign and live up to the following Resolution:

In order that I may be enrolled as a Crusader in the Catholic League for Social Justice in the Archdiocese of New York, I desire to file this, my resolution:

I resolve to inform myself on Catholic doctrine on Social Justice, to conform my life to its requirements and to do everything in my power, in my home and religious life, in my social and business contacts to promote its principles.

Realizing that I cannot keep this resolution faithfully without Divine help, I further resolve, as nearly as possible, to hear Holy Mass twice a week (once besides Sunday) and daily if possible; and to receive Holy Communion at least once a month and weekly if possible, to attain Social Justice in the United States.

Further particulars and the procedure necessary for inaugurating the League in dioceses outside of New York can be had by addressing the Catholic League for Social Justice in the Archdiocese of New York, 30 West 16th Street, New York City.